

**BERGENFIELD BOARD OF EDUCATION
AUDITORS' MANAGEMENT REPORT ON
ADMINISTRATIVE FINDINGS -
FINANCIAL COMPLIANCE AND PERFORMANCE
JUNE 30, 2023**

**BERGENFIELD BOARD OF EDUCATION
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- FINANCIAL, COMPLIANCE AND PERFORMANCE**

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AUDITOR'S MANAGEMENT REPORT

Honorable President and Members
of the Board of Education
Bergenfield Board of Education
Bergenfield, New Jersey

We have audited in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, the basic financial statements of the Bergenfield Board of Education as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated January 18, 2024.

As part of our audit, we performed procedures required by the Office of School Finance, Department of Education, State of New Jersey and the findings and results thereof are disclosed on the following pages, as listed in the accompanying table of contents.

This report is intended solely for the information and use of management, the Board of Education, others within the District and the New Jersey State Department of Education. However, this report is a matter of public record and its distribution is not limited.

Respectfully submitted,

Lerch, Vinci & Bliss, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants

Jeffrey C. Bliss
Public School Accountant
PSA Number CS00932

Fair Lawn, New Jersey
January 18, 2024

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Scope of Audit

The audit covered the financial transactions of the Board Secretary/School Business Administrator and Treasurer of School Monies, the activities of the Board of Education, the records of the various funds under the auspices of the Board of Education.

Administrative Practices and Procedures

Insurance

Fire insurance coverage was carried in the amounts as detailed on the Insurance Schedule contained in the district's ACFR.

Official Bonds

<u>Name</u>	<u>Position</u>	<u>Amount</u>
JoAnn Khoury-Frias	School Business Administrator/ Board Secretary	\$350,000
Sean Gately	Treasurer of School Monies	\$375,000

There is a Public Employees' Dishonesty Insurance Coverage including faithful performance with the Northeast Bergen County School Board Insurance Group (NESBIG) covering all other employees with multiple coverage of \$500,000 per loss.

P.L. 2020, c44

Our audit procedures included an inquiry and subsequent review of health benefit data required per N.J.S.A. 18A:16-13.3 (Chapter 44) submitted for the year of audit. The Chapter 44 summary report was reviewed for reasonableness and timeliness.

The data submitted did appear to include all health benefit plans offered by the school district.

The school district data certification was completed by the chief school administrator. The school district Chapter 44 data was submitted timely.

Tuition Charges

A comparison of tentative tuition charges and actual certified tuition charges was made. The Board made the proper adjustments to billings to sending districts for the adjustment in per pupil costs in accordance with NJAC 6A:23A-17.1 (f)3.

Financial Planning, Accounting and Reporting

Examination of Claims

An examination of claims paid during the period under review did not reveal any material discrepancies with respect to each of signature certification and proper itemization.

Payroll Account

The net salaries of all employees of the Board were deposited in the Payroll Account. Employees' payroll deductions and employer's share of fringe benefits were deposited in the payroll agency account.

All payrolls tested were approved by the Superintendent and were certified by the President of the Board and the Board Secretary/School Business Administrator.

Salary withholdings were promptly remitted to the proper agencies, including health benefits withholding due to the general fund.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Financial Planning, Accounting and Reporting (Continued)

Payroll Account (Continued)

The District maintains a personnel tracking and accounting (Position Control) system.

The School Business Administrator completed and filed the required certification of compliance with federal and state law respecting the reporting of compensation for certain administrative employees.

Reserve for Encumbrances and Accounts Payable

A review of outstanding issued purchase orders was made as of June 30, for goods not yet received or services not yet rendered and it was determined that no blanket purchase orders were included in the balance of the reserve for encumbrances. Also, unpaid purchase orders included in the balance of accounts payable were reviewed for propriety and to determine that goods were received and services were rendered, as of June 30.

Classification of Expenditures

The coding of expenditures was tested for proper classification in accordance with N.J.A.C. 6A:23A-16.2(f) as part of our test of transactions of randomly selected expenditure items. We also reviewed the coding of all expenditures included in our compliance and single audit testing procedures. In addition to randomly selecting a test sample, our sample selection included administrative coding classifications to determine overall reliability and compliance with NJAC 6A:23A-8.3. As a result of the procedures performed additional procedures were not deemed necessary to test the propriety of expenditure classification.

Travel

The District had an approved board travel policy as required by N.J.A.C. 6A:23A-6.13 and N.J.S.A. 18A:11-12.

Board Secretary's Records

The financial records, books of account and minutes maintained by the Board Secretary were in good condition.

The Board Secretary's and Treasurer's reports were presented monthly to the Board on a timely basis and were submitted to the executive county superintendent as prescribed by (N.J.S.A. 18A:17-9 and 18A:17-36).

Acknowledgement of the Board's receipt of the Board Secretary's monthly financial reports were included in the minutes.

The prescribed contractual order system was followed without any material exceptions noted.

Treasurer's Records

The Treasurer did perform reconciliations for all required accounts.

The Treasurer's records were in agreement with the Board Secretary's records.

The Treasurer's cash balances were in agreement with the reconciled cash balances as determined during the audit.

Acknowledgement of the Board's receipt of the Treasurer's monthly financial reports was included in the minutes.

Unemployment Compensation Insurance Account

The Board has adopted the direct reimbursement method and has established an unemployment compensation insurance account. The financial transactions of this account are reported in the general fund.

Elementary and Secondary School Education Act (E.S.E.A.) as Amended by Every Student Succeeds Act (ESSA)

The E.S.E.A. financial exhibits are contained within the Special Revenue section of the ACFR. This section of the ACFR documents the financial position pertaining to projects under Titles I, II, III and IV of the Elementary and Secondary Education Act as amended and reauthorized.

Our examination of the E.S.E.A./E.S.S.A. funds on a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Financial Planning, Accounting and Reporting (Continued)

Other Special Federal and/or State Projects

The district's Special Projects were approved as listed on Exhibit K-3 and Exhibit K-4 located in the ACFR.

Our examination of the Federal and State funds not a test basis indicated that obligations and expenditures were incurred during the fiscal year or project period for which the project was approved.

- **Finding 2023-1 (ACFR Finding 2023-001)** – Our audit of salaries charged to the ESSER grant programs revealed time and effort activity reports were not completed for certain employees whose salaries were charged to the grant programs.

Recommendation – All employees charged to federally funded grant programs be included on the time and effort activity reports and certified semi-annually as required.

The financial exhibits contained herein represent a true statement of the financial position pertaining to the aforementioned special projects.

T.P.A.F. Reimbursements

Our audit procedures included a test of the semi-monthly reimbursement forms filed with the Department of Education for district employees who are members of the Teachers Pension and Annuity Fund. No exceptions were noted.

T.P.A.F Reimbursement to the State for Federal Salary Expenditures

The amount of expenditures charged to the current year's Final Reports for all federal awards for the school district to reimburse the State for the TPAF/FICA payments made by the State on-behalf of the school district for those employees whose salaries are identified as being paid from federal funds was made prior to the end of the 90 day grant liquidation period required by the Office of Grants Management. The expenditure was reviewed subsequent to the reimbursement and no exceptions were noted.

School Purchasing Programs

Contracts and Agreements Requiring Advertisement for Bids

The bid thresholds in accordance with N.J.S.A. 18A:18A-3 (as amended) and 18A:39-3 (public school student transportation) are \$32,000 and \$20,200, respectively for 2022-2023.

If the purchasing agent is qualified pursuant to subsection b of section 9 of P.L. 1971, c.198 (c.40A:11-9), the board of education may establish that the bid threshold may be up to \$44,000 in accordance with 18A:18A-2. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section. The Board designated the School Business Administrator as the qualified purchasing agent.

The School Business Administrator is a QPA and the Board by resolution has established the bid threshold be \$44,000.

The Board of Education has the responsibility of determining whether the expenditures in any category will exceed the statutory thresholds within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Board Attorney's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed; however, to determine whether any clear-cut violations existed.

The results of our examination did not indicate any individual payments, contracts, or agreements which were made "for the performance of any work or the furnishing or hiring of any materials or supplies," in excess of the statutory thresholds where there had been no advertising for bids in accordance with the provision of N.J.S.A. 18A:18A-4.

Resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 18A:18A-5.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

School Purchasing Programs (Continued)

Contracts and Agreements Requiring Advertisement for Bids (Continued)

The system of records did not provide for an accumulation of purchases for which the school board used contracts entered into by the State Department of Purchase and Property pursuant to Ch. 114, P.L. 1977, therefore, the extent of such purchases could not reasonably be ascertained. Our examination did reveal, however, that purchases were made through the use of State contracts.

Food Service Fund

SFAs were authorized to solicit and award emergency noncompetitive procurements and contracts with Food Service Management Companies in accordance with 2 CFR 200.320 and N.J.S.A. 18A:18A-7. The SFAs were also authorized to submit contract modifications to their existing Cost Reimbursable or Fixed Price contracts as necessary to ensure the feeding of all children throughout the age of 18, as well as persons over 18 with disabilities as defined in the regulations.

SFAs were notified of the requirement to maintain and report separate meal count records and financial records of all applicable costs incurred in providing meals to all student during the emergency.

The school food service program was not selected as a major federal or State program. However, the program expenditures exceeded \$100,000 in federal support. Accordingly, we inquired of school management, or appropriate school food service personnel, as to whether the School Food Authority (SFA) had any Child Nutrition Program reimbursement overclaims or underclaims. Exceptions were not noted.

We also inquired of school management, or appropriate school food service personnel, as to whether the SFA's expenditures of school food service revenues were limited to allowable direct and indirect costs. Exceptions were not noted.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (ACFR Schedule B-5) does separate program and non-program revenue and program and non-program cost of goods sold.

We inquired of management about the public health emergency procedures/practices that the SFA instituted to provide meals to all students, maintenance of all applicable production records; meal counts; noncompetitive procurements; modification of existing contracts and applicable financial records to document the specific costs applicable to the emergency operations. We also inquired if the FSMC received a loan in accordance with Payroll Protection Plan and whether the funds were used to pay for costs applicable to the Food Service Programs. We also inquired if the PPP loan was subsequently forgiven and noted the FSMC refunded or credited the applicable amounts to the SFA.

Expenditures were separately recorded as food, labor and other costs. Vendor invoices were reviewed, and costs verified. Inventory records on food and supply items were currently maintained and properly applied in determining the cost of food and supplies used.

Net cash resources did exceed three months average expenditures. We noted the District has developed and implemented a plan to eliminate the excess of net cash resources in the Food Service Fund. The District indicated such plan will take more than one year to be fully implemented and to eliminate the excess in net cash resources that exists at June 30, 2023.

The district utilized a food service management company (FSMC) and is depositing and expending program monies in accordance with N.J.S.A. 18A:17-34, and 19-1 through 19-4.1. Provisions of the FSMC Cost Reimbursable Fixed Price contract were reviewed and audited. The FSMC contract includes an operating results provision which guarantees that the food service program will return a profit of at least \$175,264. The operating results provision has been met. All vendor discounts, rebates, and credits from vendors and/or the FSMC were tracked and credited to the Food Service Account.

The cash disbursements records reflected expenditures for program related goods and services. The appropriate revenue and expenditure records were maintained in order to substantiate the non-profit status of the school food service.

**BERGENFIELD BOARD OF EDUCATION
ADMINISTRATIVE FINDINGS - FINANCIAL, COMPLIANCE AND PERFORMANCE REPORTING
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Food Service Fund (Continued)

Applications for free and reduced price meals were reviewed for completeness and accuracy as part of our audit of the Application for State School Aid (“ASSA”).

Exhibits reflecting Child Nutrition Program operations are included in the section entitled Fund Financial Statements Exhibits B-4 to B-6 of the ACFR.

Student Body Activities

The Board has a policy, which clearly established the regulation of student activity funds.

Cash receipts and disbursements records for the various schools were maintained in good condition.

Finding 2023-2 – Our audit of High School student activity account revealed certain monies collected from fund raising activities were not deposited in a timely manner.

Recommendation – Monies collected from fund raising activities in the High School student account be deposited in a timely manner.

Summer Enrichment Program

A formal cash receipts and cash disbursement journal was maintained for the summer enrichment program’s financial transactions and were in good condition.

Application for State School Aid

Our audit procedures included a test of information reported in the October 14, 2022 Application for State School Aid (A.S.S.A.) for on-roll, private schools for the handicapped, low-income and limited English proficiency. We also performed a review of the district procedures related to its completion. The information on the A.S.S.A. was compared to the district workpapers without exceptions. The information that was included on the workpapers was verified without exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

The District maintained workpapers on the prescribed state forms or their equivalent.

The District had adequate written procedures for the recording of student enrollment data.

Pupil Transportation

Our audit procedures included a test of on roll status reported in the 2022-2023 District Report of Transported Resident Students (DRTRS). The information that was included on the DRTRS was verified to the DRTRS Eligibility Summary Report with no exceptions. The results of our procedures are presented in the Schedule of Audited Enrollments.

Our procedures also included a review of transportation related contracts and purchases. Based on our review, the district complied with proper bidding procedures and award of contracts. No exceptions were noted in our review of transportation related purchases of goods and services.

Facilities and Capital Assets

The District had no State Schools Development Authority (SDA) grants during the 2022-2023 fiscal year.

Testing for Lead of all Drinking Water in Educational Facilities

The school district submitted the annual Statement of Assurance to the Department of Education, pursuant to N.J.A.C. 6A:26-12.4(g).

Follow-up Prior Year Findings

In accordance with government standards, our procedures included a review of all prior year recommendations.

**BERGENFIELD BOARD OF EDUCATION
FOOD SERVICE FUND
SCHEDULE OF MEAL COUNT ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

NOT APPLICABLE

NET CASH RESOURCE SCHEDULE

Proprietary Funds - Food Service FYE 2023

<u>Net Cash Resources:</u>		Food Service B - 4/5	
ACFR	Current Assets		
B-4	Cash & Cash Equiv.	\$ 684,616	
B-4	Due from Other Gov'ts	40,979	
B-4	Accounts Receivable	10,508	
ACFR	Current Liabilities		
B-4	Less Accounts Payable	(81,961)	
B-4	Less Deferred Revenue	<u>(20,532)</u>	
	Net Cash Resources	<u><u>\$ 633,610</u></u>	(A)

Net Adj. Total Operating Expense:

B-5	Tot. Operating Exp.	1,759,350	
B-5	Less Depreciation	<u>(27,308)</u>	
	Adj. Tot. Oper. Exp.	<u><u>\$ 1,732,042</u></u>	(B)

Average Monthly Operating Expense:

	B / 10	<u><u>\$ 173,204</u></u>	(C)
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Three times monthly Average:

	3 X C	<u><u>\$ 519,613</u></u>	(D)
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TOTAL IN BOX A	<u>\$ 633,610</u>	
LESS TOTAL IN BOX D	<u>\$ 519,613</u>	
NET	<u><u>\$ 113,997</u></u>	
From above:		
Net cash resources does exceed 3 x average monthly operating expenses.		

**BERGENFIELD BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 14, 2022
SCHEDULE OF AUDITED ENROLLMENTS**

	2023-2024 Application for State School Aid						Sample for Verification						Private Schools for Disabled				
	Reported on A.S.S.A. On Roll		Reported on Workpapers On Roll		Errors		Sample Selected from Workpapers		Verified per Register On Roll		Errors per Registers On Roll		Reported on A.S.S.A. as Private Schools	Sample for Verifi- cation	Sample Verified	Sample Errors	
	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared	Full	Shared					
Full Day Preschool - 3 yrs	26		26		-	-	8		8		-	-					
Full Day Preschool - 4 yrs	35		35		-	-	14		14		-	-					
Full Day Kindergarten	175		175		-	-	42		42		-	-					
Grade 1	192		192		-	-	46		46		-	-					
Grade 2	188		188		-	-	34		34		-	-					
Grade 3	225		225		-	-	47		47		-	-					
Grade 4	214		214		-	-	39		39		-	-					
Grade 5	205		205		-	-	42		42		-	-					
Grade 6	201		201		-	-	201		201		-	-					
Grade 7	256		256		-	-	256		256		-	-					
Grade 8	260		260		-	-	260		260		-	-					
Grade 9	233		233		-	-	233		233		-	-					
Grade 10	255		255		-	-	255		255		-	-					
Grade 11	297		297		-	-	297		297		-	-					
Grade 12	268		268		-	-	268		268		-	-					
Subtotal	3,030	-	3,030	-	-	-	2,042	-	2,042	-	-	-					
Spec Ed - Elementary	291	1	291	1	-	-	28		28		-	-	2	2	2	-	-
Spec Ed - Middle School	123		123		-	-	15		15		-	-	10	8	8	-	-
Spec Ed - High School	169	2	169	2	-	-	21		21		-	-	13	11	11	-	-
Subtotal	583	3	583	3	-	-	64	-	64	-	-	-	25	21	21	-	-
Totals	3,613	3	3,613	3	-	-	2,106	-	2,106	-	-	-	25	21	21	-	-
Percentage Error					0.00%	0.00%					0.00%	0.00%				0.00%	

**BERGENFIELD BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 14, 2022
SCHEDULE OF AUDITED ENROLLMENTS**

	Resident Low Income			Sample for Verification			Resident LEP Low Income			Sample for Verification		
	Reported on A.S.S.A as Low Income	Reported on Workpapers as Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors	Reported on ASSA	Reported on Workpapers	Errors	Sample Selected	Sample Verified	Errors
Full Day Kindergarten	52	52	-	4	4	-	8	8	-	3	3	-
Grade 1	60	60	-	3	3	-	11	11	-	4	4	-
Grade 2	58	58	-	5	5	-	18	18	-	6	6	-
Grade 3	75	75	-	4	4	-	11	11	-	4	4	-
Grade 4	77	77	-	4	4	-	10	10	-	4	4	-
Grade 5	74	74	-	4	4	-	7	7	-	3	3	-
Grade 6	61	61	-	6	6	-	4	4	-	1	1	-
Grade 7	89	89	-	4	4	-	4	4	-	1	1	-
Grade 8	82	82	-	4	4	-	15	15	-	5	5	-
Grade 9	71	71	-	6	6	-	13	13	-	5	5	-
Grade 10	83	83	-	6	6	-	13	13	-	5	5	-
Grade 11	92	92	-	5	5	-	6	6	-	2	2	-
Grade 12	84	84	-	5	5	-	3	3	-	1	1	-
Subtotal	958	958	-	60	60	-	123	123	-	44	44	-
Spec Ed - Elementary	107	107	-	7	7	-	9	9	-	3	3	-
Spec Ed - Middle School	54	54	-	3	3	-	5	5	-	2	2	-
Spec Ed - High School	69	69	-	4	4	-	3	3	-	1	1	-
Subtotal	230	230	-	14	14	-	17	17	-	6	6	-
Totals	1,188	1,188	-	74	74	-	140	140	-	50	50	-
Percentage Error		0.00%			0.00%			0.00%			0.00%	

	Transportation			Tested	Verified	Errors
	Reported on DRTRS by DOE	Reported on DRTRS by District	Errors			
Regular - Public Schools	47	47	-	14	14	-
Transported - Non-Public			-			-
Regular - Spec. Ed.	48.5	48.5	-	15	15	-
Special Needs - Public	178.5	178.5	-	53	53	-
Totals	274.0	274.0	-	82	82	-
Percentage Error		0.00%			0.00%	

**BERGENFIELD BOARD OF EDUCATION
APPLICATION FOR STATE SCHOOL AID
ENROLLMENT AS OF OCTOBER 14, 2022
SCHEDULE OF AUDITED ENROLLMENTS**

	<u>Resident LEP Not Low Income</u>			<u>Sample for Verification</u>		
	Reported on A.S.S.A as Not Low Income	Reported on Workpapers as Not Low Income	Errors	Sample Selected from Workpapers	Verified to Application and Register	Sample Errors
Full Day Kindergarten	17	17	-	9	9	-
Grade 1	11	11	-	6	6	-
Grade 2	7	7	-	4	4	-
Grade 3	7	7	-	4	4	-
Grade 4	2	2	-	1	1	-
Grade 5	3	3	-	2	2	-
Grade 6	3	3	-	2	2	-
Grade 7	4	4	-	2	2	-
Grade 8	7	7	-	4	4	-
Grade 9	5	5	-	3	3	-
Grade 10	7	7	-	4	4	-
Grade 11	10	10	-	5	5	-
Grade 12	6	6	-	3	3	-
Subtotal	<u>89</u>	<u>89</u>	<u>-</u>	<u>49</u>	<u>49</u>	<u>-</u>
Spec Ed - Elementary	2	2	-	1	1	-
Spec Ed - Middle School	1	1	-	1	1	-
Spec Ed - High School	1	1	-	1	1	-
Subtotal	<u>4</u>	<u>4</u>	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
Totals	<u>93</u>	<u>93</u>	<u>-</u>	<u>52</u>	<u>52</u>	<u>-</u>
Percentage Error		<u>0.00%</u>			<u>0.00%</u>	

**BERGENFIELD BOARD OF EDUCATION
CALCULATION OF EXCESS SURPLUS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

SECTION 1A

2022-2023 Total General Fund Expenditures per the ACFR	\$	90,518,148
Increased by:		
Local Contribution to Special Revenue Fund		174,690
Decreased by:		
On-Behalf TPAF Pension OPEB, LTD1 & Social Security (Non-Budgeted)		<u>(14,878,262)</u>
Adjusted 2022-2023 General Fund Expenditures	\$	<u>75,814,576</u>
2% of Adjusted 2022-2023 General Fund Expenditures	\$	<u>1,516,292</u>
Enter Greater of 2% of Adjusted 2022-2023 General Fund Expenditures or \$250,000	\$	1,516,292
Increased by: Allowable Adjustments		<u>2,479,749</u>
Maximum Unassigned Fund Balance		<u>\$ 3,996,041</u>

SECTION 2

Total General Fund - Fund Balance at June 30, 2023 (Per ACFR Budgetary Comparison Schedule/Statement)	\$	18,364,502
Decreased by:		
Year-End Encumbrances		3,800,900
Capital Reserve		2,149,899
Capital Reserve - Designated for Subsequent Year's Expenditures		2,967,060
Maintenance Reserve		776,907
Maintenance Reserve - Designated for Subsequent Year's Expenditures		294,093
Emergency Reserve		190,819
Emergency Reserve - Designated for Subsequent Year's Expenditures		262,181
Tuition Adjustments		395,000
Tuition Adjustments - Designated for Subsequent Year's Expenditures		395,000
Excess Surplus - Designated for Subsequent Year's Expenditures		910,833
Unemployment Compensation Reserve		273,015
Assigned - Designated for Subsequent Year's Expenditures		<u>941,921</u>
Total Unassigned Fund Balance		<u>\$ 5,006,874</u>

SECTION 3

Restricted Fund Balance - Excess Surplus	\$	<u>1,010,833</u>
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Recapitulation of Excess Surplus as of June 30, 2023

Excess Surplus	\$	1,010,833
Excess Surplus - Designated for Subsequent Year's Expenditures		<u>910,833</u>
Total Excess Surplus	\$	<u>1,921,666</u>

Detail of Allowable Adjustments

Extraordinary Aid	\$	<u>2,479,749</u>
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**BERGENFIELD BOARD OF EDUCATION
RECOMMENDATIONS**

I. Administrative Practices and Procedures

There are none.

II. Financial Planning, Accounting and Reporting

1. It is recommended that all employees charged to federally funded grant programs be included on the time and effort activity reports and certified semi-annually as required.

III. School Purchasing Program

There are none.

IV. Food Service Fund

There are none.

V. Student Body Activities

- * 2. It is recommended that monies collected from fund raising activities in the High School student account be deposited in a timely manner.

VI. Summer Enrichment Program

There are none.

VII. Application for State School Aid

There are none.

VIII. Transportation

There are none.

IX. Facilities and Capital Assets

There are none.

X. Miscellaneous

There are none.

XI. Status of Prior Years' Audit Findings/Recommendations

A review was performed on all prior years' recommendations and corrective action was taken on all prior year findings, except the recommendations denoted by an asterisk.

ACKNOWLEDGEMENT

We received the complete cooperation of all the officials of the school district and we greatly appreciate the courtesies extended to us.

Respectfully submitted,

LERCH, VINCI & BLISS, LLP



Jeffrey C. Bliss
Certified Public Accountant
Public School Accountant